

# Section 435

## Rental Dwellings

**435.01. Purpose.** It is the purpose of this Ordinance to protect the public health, safety and welfare of citizens of the City who live in rental units by adopting a Rental Dwelling inspection and maintenance program that corrects substandard conditions and maintains a standard for existing and newly constructed Rental Dwellings in the City. The operation of rental properties is a business enterprise that includes certain responsibilities. Rental Owners, Operators and Managers are responsible to take such reasonable steps as are necessary to ensure that the citizens who occupy such rental units, as well as neighboring properties, may pursue the quiet enjoyment of the normal activities of life in surroundings that are safe, secure, and sanitary, free from noise, nuisances and annoyances, and free from unreasonable fears about safety of persons and property.

**435.03. Definitions.** Words used in this Ordinance shall have the following meanings unless otherwise defined in this Ordinance.

Subd. 1. "Alternative Inspection Report" means a Rental Dwelling inspection report that the applicant obtains from a building inspector for the purposes of receiving United States Department of Housing and Urban Development ("HUD") rental approval or for insurance-related or mortgage-related purposes, or another inspection report deemed acceptable by the City's Building Official. Any Alternative Inspection Report must be dated within the twelve (12) months preceding the application date.

Subd. 2. "Apartment" means a community, complex or building having a common Owner and containing at least one Rental Dwelling Unit.

Subd. 3. "City Approved Inspector's Report" or "Inspection Report" means a Rental Dwelling inspection report prepared and signed by an independent inspector who is licensed in a city of the first class as a Truth in Sale of Housing Inspector or Evaluator.

Subd. 4. "City Manager" means the West St. Paul City Manager or his or her designee.

Subd. 5. "Dwelling" means a building or one or more portions of a building occupied or intended to be occupied for residential purposes.

Subd. 6. "Let for Occupancy" or to "Let" or to "Rent" means to permit possession or occupancy of a Dwelling or Rental Dwelling Unit by a person who is not the legal Owner of record thereof, pursuant to a written or unwritten lease.

Subd. 7. "Occupant" means any person living or sleeping in a Dwelling Unit, or having possession of a space within a Dwelling Unit.

Subd. 8. "Operate" means to charge a rental charge, fee or other form of compensation for the use of a Rental Dwelling Unit.

Subd. 9. "Operator" or "Manager" means any person who has charge, care or control of a structure or premises that is Let or offered for Occupancy.

Subd. 10. "Owner" or "Licensee" means any person, agent Operator, firm or corporation having a legal or equitable interest in the property or recorded in the official state, county or City records as holding title to the property or otherwise having control of the property.

Subd. 11. "Person" may be an individual, corporation, firm, association, company, partnership, organization or any other group acting as a unit.

Subd. 12. "Rental Dwelling" means any Dwelling used for residential occupancy by one or more Persons who are not the Owner or a member of the Owner's family.

Subd. 13. "Rental Dwelling Unit" means any room or rooms, or space, in any Rental Dwelling designed or used for residential occupancy by one or more Persons who are not the Owner or a member of the Owner's family.

Subd. 14. "High School Dormitory" means a dormitory that is located on the site of secondary education institution for living and sleeping quarters for the students attending the institution.

#### **435.05. License Required.**

Subd. 1. General Rule. No Person, partnership, business entity, or corporation shall Operate a Rental Dwelling or Rental Dwelling Unit in the City without a license for each building pursuant to City Code Section 1005. No Property Owner shall be permitted to license more than three (3) single-family residences as rental properties, unless the Property Owner:

- a. Hires a property management company who is licensed by the Commerce Department; or
- b. Is a public housing agency; or
- c. Obtains a special exception from the City Council.

Subd. 2. Applications. In addition to the application information requirements of Section 1005.05, the license application must contain the following information:

a. Property Owner Information.

- 1.The name, address, and complete information of the Property Owner, if the Property Owner is an individual.
- 2.The name, address and complete information of at least one officer, manager or director, if the Property Owner is a business entity.

b. Property Contact Information. For single-family residential Dwellings, the license applicant must provide twenty-four (24) hour contact information for one person in any of the following categories. For all other types of Dwellings, the license applicant must provide twenty-four (24) hour contact information for two people in any of the following categories:

- 1.At least one Owner of the Rental Dwelling or Rental Dwelling Unit;
- 2.At least one person, if different from the Owner, who is responsible for compliance with this and any other Code requirement pertaining to the Rental Dwelling or Rental Dwelling Unit, such as a property manager, who must reside in the Twin Cities 7-County metropolitan area.
- 3.Any of the Owner's agents responsible for management of the Rental Dwelling or Rental Dwelling Unit, such as a property management company and the name and contact information of a person at the property management company.
- 4.Any vendors and all vendees, if the Rental Dwelling or Rental Dwelling Unit is being sold pursuant to a contract for deed.

The City Manager must be notified in writing of any changes to the name(s) provided on the application.

c. Number and Type of Units. The license application must contain the number of units and types of units (condominium, apartment, townhome, etc.) within the Rental Dwelling.

d. **Inspection Report.** The license application must be accompanied by a satisfactory City Approved Inspector's Report or an Alternative Inspection Report.

i. For owners with 1-3 Dwelling Units, the Inspection Report must be dated within the thirty-six (36) months preceding the application date.

ii. For Owners with more than 3 Dwelling Units, the Inspection Report must be dated within the twelve (12) months preceding the application date. An Owner with more than three (3) Dwelling Units shall submit annual Inspection Reports for at least one-fourth (¼) of the total number of Dwelling Units for each building. Every four (4) years, all Dwelling Units in each building must have undergone an inspection.

e. **Inspector Requirements.** The licensed inspector who performed the inspection and wrote the Inspection Report must sign the Inspection Report. The inspector shall submit to the owner the original copy of the Inspection Report. The inspector shall file a duplicate copy with the City's Building Official within ten (10) days after the inspection or re-inspection has been made. The inspector shall pay the filing fee established by the City Council. For re-inspections, the inspectors shall meet all requirements as for original reports except there shall be no filing fee required.

**Subd. 3. Investigations.**

a. For all new applications, a background investigation will be conducted on the Property Owner listed on the application, pursuant to City Code Section 1005.05 subd. 5. The City may request additional information from the license applicant regarding all Property Owners, if the Property is owned by individuals or regarding all officers, managers, or directors, if the Property is owned by a business entity, and may conduct additional background investigations as it deems necessary. The applicant shall pay a background investigation fee for each background investigation conducted.

b. For renewal applications, background investigations are not required and no background investigation fee shall be required, however, the Police Department or other City Staff may conduct a background investigation at its sole discretion.

**Subd. 4. Changes in Ownership.** A license is non-transferable. If there is a change in the Ownership of the Rental Dwelling or Rental Dwelling Unit, a new license is required.

**Subd. 5. Changes in the Rental Dwelling or Rental Dwelling Unit.** If changes are made in the number or type of units, the Owner shall amend its license.

**Subd. 6. Annual License.** Persons wishing to let Rental Dwellings or Rental Dwelling Units must make an annual application to the City, provide the information required by this Section and pay the applicable license fee, which will be set by City Council resolution.

**Subd. 7. Tenant Register.** As a condition of the license, the applicant must, as a continuing obligation, maintain a current register of tenants and other persons who have a lawful right to occupancy of Rental Dwellings or Rental Dwelling Units. In its application, the applicant must designate the name of the person or persons who will have possession of the register and must promptly notify the City Manager of any change in the identity, address or telephone numbers of such person. The register must be available for inspection by City officials at all times.

**Subd. 8. Notification Requirements for Public Hearings.** The Owner must, as a continuing obligation of the license, provide written notice to tenants or in the alternative, post the written notice in the lobby or common area of the Rental Dwelling for any public hearing received by the Owner that pertains to the property on which the Rental Dwelling is located or any adjacent rights of way.

**Subd. 9. Display of License Certificate.** Pursuant to City Code Section 1005.15, the license certificate must be exhibited in a conspicuous place at or near the entrance to the Rental Dwelling. One license certificate must be displayed for each building. For buildings containing 1-3 Dwelling Units, the certificate must be visible from the street. For buildings containing more than three (3) Dwelling Units, the certificate must be displayed in the rental office or other common area accessible to all tenants of the licensed building.

Subd. 10. Compliance with Minn. Stat. §211B.20. Owners must comply with the requirements of Minn. Stat. §211B.20 and allow access to candidates who have filed for election to public office and seek admittance to the Rental Dwelling solely for the purpose of campaigning.

Subd. 11. Rental Density for Single-Family Rental Dwellings.

a. In an R1 zoning district, no more than ten percent (10%) of the single-family lots on any block shall be eligible to obtain a rental license, unless a Provisional License is granted by the City Council as provided herein. Table 1 indicates how many single-family lots per block are able to be licensed as a rental property based on the number of lots that exist in a block.

**TABLE 1**

<b>Lots/Block</b>	<b>Rental Units Allowed</b>		<b>Lots/Block</b>	<b>Rental Units Allowed</b>		<b>Lots/Block</b>	<b>Rental Units Allowed</b>
1-14	1		45-54	5		85-94	9
15-24	2		55-64	6		95-104	10
25-34	3		65-74	7		105-114	11
35-44	4		75-84	8		115-124	12

b. The following guidelines shall apply to determine eligible blocks and lots:

1. For the purposes of this Section, a block shall be defined as an area of land enclosed within the perimeter of streets, watercourses, public parks, municipally owned lots, and City boundaries.

2. This Section shall apply to legally conforming lots of record and legally nonconforming lots of record. For the purposes of this Section, lots of record may also be referred to as "properties," "property," or "lots."

3. If a block contains more than one type of zoning district, only R1 zoning district lots shall be included in the calculation of the total number of lots per block.

4. Legal nonconforming rental property shall not be included in the calculation of the total number of lots per block, but shall be allowed to continue as long as the legal nonconforming use complies with Section 4.2 of the Zoning Ordinance.

5. Commercial or Industrial uses located in an R1 zoning district shall not be included in the calculation of the total number of lots per block.

6. Properties that are exempt pursuant to Section 435.07 shall not be included in the calculation of the total number of lots per block.

c. If the number of rental properties meets or exceeds the permitted number of rental properties per defined block on the effective date of this ordinance, no additional rental licenses shall be approved for the block, unless a Provisional License is granted by the City Council as provided herein. Existing rental licenses may be renewed; however, should a rental license not be renewed, or if the rental license is revoked or lapses, the rental license shall not be reinstated unless it is in conformance with this Section and other applicable Sections of the City Code.

d. If the number of rental properties meets or exceeds the permitted number of rental properties per defined block on the effective date of this ordinance, a Property Owner may request a Provisional License pursuant to City Code Section 1005 to allow an additional rental property for that block. The Property Owner must hire a licensed professional property management company to manage the Property. The Council may grant or deny a Provisional

License in its sole discretion. No Property Owner shall hold a Provisional License for the same Property for more than two consecutive years.

Subd. 12. **Crime-Free Lease Addendum.** As a condition of the license, the applicant must use the Minnesota Crime-Free Lease Addendum or its equivalent, as part of its leases.

Subd. 13. **Contracts for Deed.** A Property sold pursuant to a contract for deed must be recorded against the Property or the Property will be deemed rental property and a license will be required.

**435.07. Exemptions.** This Section does not apply to the following:

- a. Hotels
- b. Motels
- c. Hospitals
- d. State licensed residential care facilities
- e. Assisted living facilities
- f. Nursing homes
- g. High school dormitories, subject to the submission of an alternative inspection report identified in City Code Section 435.05 subd. 1.
- h. Single-family homes or duplexes in which the Owner resides in the Rental Dwelling Unit and there are a total of no more than three unrelated persons within the Rental Dwelling Unit.

**435.09. Responsibility for Acts of Manager.** Licensees are responsible for the acts or omissions of their Managers as it pertains to the Rental Dwelling.

**435.11. Maintenance Standards.**

Subd. 1. It is the responsibility of the Licensee to assure that every Rental Dwelling and Rental Dwelling Unit is maintained in compliance with all City Ordinances and state laws. A violation of any of the following laws and Ordinances constitutes a Public Nuisance:

- a. Building Code (City Code §400),
- b. Housing Code (City Code §425),
- c. Animal Ordinance (City Code §905),
- d. Fire Prevention Code (City Code §915),
- e. Repeat Nuisance Service Calls (City Code SS 955)
- f. Parked or Stored Motor Vehicles (City Code §2005.21)
- g. Public Nuisance Ordinance (City Code §2010).

Subd. 2. **License Hearing.** Upon the occurrence of three (3) violations of the above-stated provisions within a 12-month period involving the same occupant, guest or tenant, the City Council shall hold a license hearing pursuant to City Code Section 1005.25 for consideration of suspension or revocation of the license. Depending upon the circumstances, nature and severity of the violation, the City Council may hold a license hearing for fewer than three (3) violations, if deemed appropriate.

Subd. 3. **Inspections.** The Building Official, Building Inspector, Fire Department personnel, police officers and their respective representatives, are authorized to make inspections reasonably necessary to enforce this Section. All authorized inspectors have the authority to enter any Rental Dwelling or Rental Dwelling Unit at all reasonable times. Each Occupant of a Rental Dwelling or Rental Dwelling Unit shall give the Owner, the Owner's agent or

authorized City official access to any part of such Rental Dwelling or Rental Dwelling Unit at reasonable times for the purpose of inspection, maintenance, repairs or alterations as are necessary to comply with the provisions of this Ordinance. If any Owner, Owner's agent or Occupant of a Rental Dwelling or Rental Dwelling Unit fails or refuses to permit entry to a Rental Dwelling or Rental Dwelling Unit for an inspection pursuant to this Ordinance, the inspector may seek an administrative search warrant authorizing such inspection.

**435.13. STAR Program.** To promote crime-free housing, the City encourages Rental Property Owners to voluntarily participate in the STAR Program. A STAR Program application form must be completed and submitted with the license application in order for an owner to participate in the STAR Program.

Subd. 1. More than 3 Dwelling Units. For Owners with more than three (3) Dwelling Units, the following criteria set forth the STAR requirements for each participation level.

a . Level 1 To qualify for Level 1, Owners or Managers shall comply with the following:

1. Provide the City a copy of rental criteria regarding tenants with criminal backgrounds.
2. Upon request, provide a copy of Third Party Background Check procedures for Tenants.
3. Actively pursue the eviction of non-compliant tenants.
4. Attend 25% of Responsible Owners and Managers Association (ROMA) meetings.
5. Within twelve (12) months of joining the STAR program, complete one of the three phases of the Minnesota Crime Free Rental-Housing program. The phases of the Minnesota Crime Free Rental-Housing program are:

- Phase One- Management Training- Resident Managers and/or Owners attend an eight-hour seminar presented by police, fire, public housing and others.

- Phase Two- Security Assessment- This phase will certify that the rental property has met the security requirements for the tenant's safety.

- Phase Three- Resident Training- A meeting is held for the residents where crime watch and crime prevention techniques are discussed.

b. Level 2 To qualify for Level 2, Owners and Managers shall achieve Level 1 and add the following:

1. Within twelve (12) months of joining the STAR program, complete all three phases of Crime Free Rental-Housing training and receive a certificate of completion by the City.
2. Attend 50% of ROMA meetings.

Subd. 2. 1-3 Dwelling Units. For Owners with 1-3 Dwelling Units, the following criteria set forth the STAR requirements for each participation level.

a . Level 1 To qualify for Level 1, Owners and Managers shall comply with the following:

1. Upon request, provide a copy of Third Party Background Check procedures for Tenants.
2. Actively pursue the eviction of non-compliant tenants.

b. Level 2 To qualify for Level 2, Owners and Managers shall achieve Level 1 and add the following:

1. Within twelve (12) months of joining the STAR program, complete all three phases of Crime Free Rental-Housing training and receive a certificate of completion by the City.
2. Attend 50% of ROMA meetings.
3. Have no unresolved City Code violations.

**435.15. License Denial, Suspension, or Revocation.**

Subd. 1. Grounds for Denial, Suspension or Revocation. The City Council may deny, revoke or suspend a license pursuant to City Code Section 1005.25 subd. 1. During a suspension, the property for which the suspension



occurred shall be included for purposes of calculating the number of eligible lots per block, unless it is otherwise ineligible pursuant to Section 435.05 subd. 11.b.

Subd. 2. Violations. A violation of this ordinance is a misdemeanor. However, the City may issue an administrative citation pursuant to City Code section 120.

Subd. 3. Notification to Tenants. Upon suspension or revocation of a license, the City will notify all effected tenants that the license has been revoked or suspended and that no rent may be collected from the tenants during the revocation or suspension period.

#### **435.17. Summary Action.**

Subd. 1. Emergency. When the conduct of any Owner or Owner's agent, representative, employee or lessee, or the condition of the Rental Dwelling or Rental Dwelling Unit, or the property in or on which it is located, is detrimental to the public health, sanitation, safety and general welfare of the community, or residents of the Rental Dwelling or Rental Dwelling Unit so as to constitute a nuisance, fire hazard, or other unsafe or dangerous condition and thus give rise to an emergency, the Building Official has the authority to summarily condemn or close individual Rental Dwelling Units or areas of the Rental Dwelling as the Building Official deems necessary.

Subd. 2. Notice. Notice of summary action will be posted at the units or areas affected and will describe the units or areas affected. No person shall remove the posted notice, other than the Building Official or a designated representative.

Subd. 3. Appeal. Any person aggrieved by a decision or action of the Building Official to condemn all or part of a Rental Dwelling shall be entitled to appeal to the Council by filing a notice of appeal with the City Manager. The Manager must schedule a date for hearing before the Council and notify the aggrieved person of the date.

**435.19. Posted To Prevent Occupancy**. Whenever any Rental Dwelling or Rental Dwelling Unit is found to be unfit for human habitation under Sections 435.11, it shall be posted by the Building Official on the door of the Rental Dwelling or Rental Dwelling Unit, whichever the case may be, to prevent further occupancy. No person, other than the Building Official, shall remove or alter any posting. The Building Official will post the date the Rental Dwelling or Rental Dwelling Unit shall be vacated and no person shall reside in, occupy or cause to be occupied that Rental Dwelling or Rental Dwelling Unit until the Building Official or Council permits it.

**435.21. No Warranty By City**. By enacting and undertaking to enforce this Ordinance, neither the City nor its Council, agents or employees warrant or guaranty the safety, fitness or suitability or any Rental Dwelling or Rental Dwelling Unit in the City. Owners and occupants should take appropriate steps to protect their interests, health, safety and welfare.

